

SPEECH

by

LT. GENERAL VERNON A. WALTERS

before

EXECUTIVE BREAKFAST CLUB

THE CIA AND WORLD AFFAIRS

HOUSTON, TEXAS

6 January 1976

I am happy to have this opportunity to talk here because, frankly, we cannot run an effective intelligence agency in the United States without the support of the American people, and one of the great problems of the support of the American people is trying to tell them why we need an intelligence service and what it means to the United States and the future of the American people.

You have all heard a lot about intelligence, and incidentally, I might explain the reason why Mr. Colby couldn't come is that he is generally at Congress, and I must say our new Director, Mr. Bush, called up four times for Mr. Colby and asked to speak to him. He said, "Where is he?" "He's down at the House." The next time he called up, he said, "Where is he?" "He's down at the Senate." The next time, "Where is he?" "Back at the House." He said, "My God, you mean I have to spend that much time down there?" And the answer is, over the past year, "Yes." We are perhaps the only nation in the world that is trying to run it's national intelligence service in, so to speak, a goldfish bowl. Now we may

- 2 -

succeed because we're a very unusual people, and we have done some pretty extraordinary things. But if we do, we are going to be the only ones that ever did. Nevertheless, we cannot run an intelligence service that the American people are not prepared to accept and support.

Unlike other intelligence services, our appropriations, our money, is voted on by the Congress. We report to six Committees of the Congress, our budget is fully discussed with the Appropriations Committees of both Houses, our budget is gone over by the Office of Management and Budget in the Government, exactly like the Department of Agriculture or anybody else's. And at the end, we get our money. But you cannot get it if the American people will not, through their representatives, vote it. Therefore, we are answerable to them. We are perhaps the only people in the world who have chosen to have Congressional oversight of the intelligence service. People ask me if we can live with this and the answer is "Yes, we can live with it."

We have had leaks from some of the investigating committees; we have never had a leak from our own oversight committees. Those are the Armed Services Committees of

both Houses, the Appropriations Committees of both Houses, and the Government Operations Committees, and to some degree the Foreign Relations Committees of both Houses. So we really have about eight committees to whom we are answerable. And if you make them up at about 15 people--that gives you an awful lot of people that we report to in Congress. And so sometimes when we read someone said, "Oh, we never knew about this," we're a little bit surprised, since we had reported it to about a hundred members of Congress, in one form or another. So this sometimes comes as a surprise to us to learn that it has come as a surprise to them.

But to get back to the question of intelligence. What is intelligence? Intelligence is information concerning the activities, the intentions, or the capabilities of foreign nations which may have an impact, not only on the security of the United States, but on the way the American people live, the way the American people carry on their daily lives and business.

To give you an example, in the old days economic intelligence used to be a by-product of a military intelligence capability study. Today, with the billions of

Petrodollars, of Eurodollars, of oil money moving around the world, the way it is invested, what is done with it, how foreign nations handle it, has a very direct impact on the American people and the way they live and work--and how many of them work. Therefore, it is important for us to have this information.

Now how is the United States organized to do this? Well, there's been a long feeling in the United States that intelligence is immoral, or un-American, or something else. As a matter of fact, to go back to the dawn of our history, Nathan Hale, of whom we have a statue outside our building, which was put there over my opposition--I felt that he was a very brave young man, but any intelligence agent who was captured on his first mission and had all the information on him, is not exactly what I would hold up to our young career trainees as an example--but anyway, before he went off on that mission he told a friend of his--a captain in the Army--that he was going as a spy behind the British lines. And this fellow looked at him and he said, "How can you stoop so low?" So we've had those people with us always.

Today you have a massive assault on intelligence in the United States, a real effort to create a new caste: people who work in intelligence who are unfit for

association with other Americans and are not to be trusted in any other employment after they leave that. We have a real effort--and it is an extraordinary one--from within to blind the United States. I always say that the real issue before the American people for the years ahead is not the aberrations, the poor judgment, the actions of a small number of kooks in the past, or of people using really bad judgment. The real issue as the United States enters the last quarter of this century is: is it going to have eyes to see and ears to hear or is it going to stumble into the future blind and deaf until the day we have to choose between abject humiliation and nuclear blackmail?

You know, this mentality about intelligence being immoral is a standard--a factor--that is present in American history throughout. We start each of our wars without intelligence. We build up a superb intelligence apparatus and as soon as the war is over we start to dismantle it. This time we waited a little longer because we had the Korean War and the Vietnamese War and everything else. But the wreckers are in there at work now trying to dismantle the intelligence apparatus.

Just to give you an example of my own experience in 1942, I lived in Europe as a child, spoke a bunch of languages, so when I got in the Army they put me in intelligence. When I was assigned, in August 1942, to the United States Army Military Intelligence Training Center at Camp Ritchie, Maryland, the Commanding Officer was a British colonel. That was the state of American intelligence in 1942.

We've always done this. And yet, intelligence is a great tradition in the United States. I would say that probably the American general who used intelligence more than anybody else was George Washington. About George Washington and about my ability to answer all questions, I must tell you one story. George Washington one night spent the night at the home of a sympathizer of the Revolution. In the morning, as he was leaving, he got up on his horse and was getting ready to ride off when the host's wife said to him, "General, where do you ride tonight?" So he leaned down in the saddle and he said, "Madame, can you keep a secret?" She said, "Of course." He said, "So can I, Madame," tipped his hat and rode on.

You know, the facts of life are what they are. George Washington staged three separate kidnap attempts on Benedict

Arnold and I think we all know what he was going to do with Benedict Arnold when he got him. He also attempted to kidnap Prince William of Britain, George III's fourth son, who was a midshipman in the Royal Navy in New York in 1782. Now in the case of Prince William he did issue special instructions that the Prince was not to be harmed. Those instructions were not issued for Benedict Arnold.

One of the best answers I know to this thing that you've got to tell everybody everything--this irresistible urge to confess, which is one of our national characteristics--he wrote a letter in 1779 to Colonel Elias Dayton, who was his chief of intelligence in New Jersey, and this is what he said, "The need for procuring good intelligence is so obvious that I have nothing further to say on this subject. All that remains for me is to tell you that these matters must be kept as secret as possible. For lack of secrecy, these enterprises, no matter how well conceived or how promising the outlook, generally fail. I am, sir, your obedient servant. George Washington."

Then we have Franklin. Now Franklin, for three years before the Revolution, from 1772-1775, was the Assistant Postmaster of British North America. You know what he was

doing as Assistant Postmaster for British North America? He was opening British mail like crazy, and they caught him and fired him. So, he went off and joined the Revolution and he went to France where he represented the Revolution. And while in France he designed a printing press. What did he print on the printing press? Well, he printed British currency, British passports, and fabricated atrocity stories.

As I say, we tend to have this feeling that all this spying and dirty work is fine for those dirty old disreputable British, French, Germans, Russians, but not we pure Americans; we don't do that sort of thing. Well, that's just not true. We do.

Mr. Stimson, in 1932 as Secretary of State, was brought a decoded telegram of a foreign country and he pushed it away and said, "Gentlemen don't read other gentlemen's mail." Ten years later, as Secretary of War, Mr. Stimson couldn't get enough of other gentlemen's mail to read. But that mentality led us to Pearl Harbor. Now we survived a naval Pearl Harbor; we were lucky the carriers were at sea, they didn't get them, so we had time and distance to rebuild and go on to win the war. Could we survive a nuclear Pearl Harbor? Because the fact is

today we see a capability against the United States that has not existed since Valley Forge. Not since Valley Forge has any nation had the power to deliver crippling or even mortal blows to the United States. As we look around the world today, we see the Soviet Union deploying four, perhaps five, new systems of third generation missiles; we see them launching larger submarines with more launching tubes for intercontinental ballistic missiles; we see the Soviet Union developing aircraft with capabilities against the United States; we see the Soviet navy all over the world; we see the Soviet armed forces, in the conventional armed forces, in the army and the air force, being constantly improved in quality, in quantity, in equipment. In the last couple of years the United States armed forces have gone down one million men and in that same period the armed forces of the Soviet Union have gone up one million men--net difference: two million men. We see these sophisticated capabilities developing in the Soviet Union today and we will see them tomorrow in China. And it is odd that at this time the perception of the American people of the threat is perhaps lower than at any time since World War II.-

Right now, the intelligence agencies of the United States are being pilloried for their alleged sins of commission; what I'm worried about is that in 1990, our successors will be pilloried for their sins of omission, "You mean you weren't watching this; you mean you weren't keeping track of that, you mean you weren't following this?" And these are the things we have to do if the United States is to survive as a free nation. _____

The one basic reason why we exist is we cannot let our country be surprised. There isn't any second prize any more.

One of our Founding Fathers said that eternal vigilance was the price of freedom. That was when the United States had a two-month cushion on either side. We don't have it any more. We've got a 15 to 30-minute cushion now. And if we don't know in advance, not much else is going to do us any good. We've got to get this intelligence; we've got to collect it; we've got to carefully and painstakingly and objectively analyze it; and most of all, we have to get it to the people in the United States who have to make the decisions. And we have to get it in timely fashion. If

it doesn't get there quickly, it's not intelligence, it's history.

And we, and I repeat this--you've all read all these stories about the influence and everything else--the Central Intelligence Agency is a service organization. We provide intelligence to the Government. When I go to the White House or the National Security Council or to the White House Special Action Group, or any other meeting, or a SALT Verification Panel, all I do or all the Director does if he is there, is tell them what the intelligence is. If they are considering five options, we tell them that if you do option one this is likely to happen, if you do option two that's likely to happen, if you do option three the other is likely to happen. When State, and Defense, and Treasury, get down to the discussion of what the United States is going to do, we do not take part in that discussion. As a matter of fact, once I was sitting at a table and Kissinger went around the table asking everybody what they thought. The first man said "Yes," the second man said "No," the third man said "Yes," I said "No." He said, "You don't have any vote," and he went on to the next, because we don't have any vote. We provide intelligence; we do not determine United States policy.

In some measure we obviously do by what we tell them as to what is going to happen, but they have other sources of information: they have the vast apparatus of the State Department which works extremely effectively in our embassies abroad; they have the Treasury attaches; they have Commercial attaches; they have others that are in a position to tell them to make a judgment.

You sometimes hear that the CIA and the Defense Intelligence are duplicating one another. Well, that's not true. We have a very small number of people working on military intelligence in our business. All we provide is an independent assessment by a Government agency with no bureaucracy other than its own life to sustain and when people say "Isn't there some duplication?" I say "Yes, there is, but I've always been able to see a lot better through binoculars than I could through a telescope. We are all working from the same data base; the idea that we have a little bit of intelligence which we are hiding off in one corner, in DIA the Defense Intelligence has another one hiding off in a corner, is nonsense.

We have a meeting once a week of the United States Intelligence Board where the top people of all the agencies get together to discuss what is going on in the intelligence world and what we should do about it.

You know, one of the reasons that led to the creation of the Central Intelligence Agency was the investigation that occurred after the war in '45 and '46 which lasted for seven months in which there was great recrimination and sensationalism which came to the conclusion that various parts of the U.S. Government had pieces of information which, if they had been brought together in one place, would not maybe have avoided Pearl Harbor, but would certainly have diminished the losses the United States sustained there. But everybody was squirreling away his little private piece of information. So there was created a central point for the intelligence from all parts of the U.S. Government which gave rise to the creation of our agency which was created under the National Security Act of 1947; which is why we are primarily responsible to the Armed Services Committees of the House and Senate.

Now the Armed Services Committee, the Appropriations Committee, and the other committees of the House, exercise oversight over us. This is varied according to the threat to the American people. At periods when the American people felt very threatened, this oversight was almost perfunctory. At periods when the American people do not feel very

threatened, as they do not now, then there is a demand for very great and very detailed oversight. Frankly, we can live with it either way. As I told you, our own Committees have never leaked on us, so we have no problem with them. From those Committees we have no secrets. We would not like--and they have never asked us--we would not like them to ask us to give the name of an agent behind the Iron Curtain. I've been Deputy Director of the Agency for four years. I have never asked for the name of an agent. I don't want to know the name of the agent. I travel too much. I just want to know what he is saying, but I don't want to know who he is or where he is. But we have no secrets from our oversight committees. We tell them anything they want to know.

What is happening with all this? What will happen? Well, I think we'll get a sort of set of restrictions: you will not do this; you will not do the other. I might add that one of the rather passed over parts of the Rockefeller Committee Report said that nearly all of the abuses on which the attention of this Committee functioned were prohibited or stopped by the Agency before any of these inquiries began.

Now you hear all about these various things--assassinations. You've had immense discussions of the assassinations. We've had 76,000 people go through the Agency in the last 27 years. Obviously we've had our share of nuts, kooks, over-zealous people, people with poor judgment and everything else. I can't tell you we haven't done anything wrong. I haven't shown poor judgment sometime in the past? But I would submit that if you subjected any town of 76,000 people, or any other Government agency of comparable size, to the kind of scrutiny that we have been subjected to over the last 27 years, our record wouldn't look all that bad. Yes, we've had these kooks, we have had people that have discussed things that they probably shouldn't have discussed or contemplated them even. Which one of you who runs a business hasn't got people in his business that is doing something you don't particularly appreciate?

And all of these things are in relation to the function. Not long ago we had a group of Congressmen out to the Agency and the question of assassinations came up. And somebody said, "Well, you know, all of this is a question of perception. If somebody could have gotten Hitler in '44 or '45, he would probably have been the first recipient of the Congressional Medal of Honor and the Victoria Cross." And one of the Congressman said "Yes, but if you could have gotten him in

'35 or '36, think how many lives you would have saved?"

I said, "Congressman, we were at peace with Germany in '35 and '36; are you advocating assassination in peacetime?" "Oh, no," he said, "that's different."

Well, that's the whole problem: all these things are different.

At the time that some people were discussing Fidel Castro and things against Fidel Castro, what was he doing? He was shooting people every day in front of the television cameras in the National Stadium in Havana. Everybody has forgotten that part of it.

I am against assassinations for three reasons: it is against the Law of God, it's against the Law of Man, and it generally doesn't do you any good. You produce an even greater fanatic. You know people say that if you would have killed Hitler...if you had killed Hitler, you would have gotten Goering and Goering would have been twice as fanatic as he was then and you would have had exactly the same kind of situation. It is just simply not an answer.

I might add that Mr. Helms, as far back as I think '71 or '72, put out a regulation within the Agency saying this matter won't even be considered, but you know you don't get much publicity on that.

Well, anyway, what is going to happen? We are undoubtedly going to get some reorganization. After all ever since Petronius Arbiter in 390 B.C. who said, "We were given a mission, we trained hard, we worked hard, we worked together; and when we felt we were ready to go, then we were reorganized." Reorganization since 390 B.C. has been considered a panacea for all sorts of things, so we'll probably be reorganized in some sort and we'll live with whatever that reorganization is. But you know, there are a lot of things that are spectacular, but I have great faith in the good sense of the American people and their representatives.

For instance, there was a great agitation to make our budget public. Why shouldn't the budget be made public? Well there are a number of reasons. If we knew the KGB budget, over a period of time we could find out a great deal about it. For instance, any large project like the U-2 or the raising of that submarine, would show a bulge that you would know that something was under way and it would call your attention to it.

On each occasion when that has come up in the Congress of the United States, very quietly, by majorities ranging up to two-to-one, that has been defeated.

You know, if you go back to the beginning of our history, we had a thing called the Committee of Secret Correspondence which ran espionage for the Revolution. Notice they wouldn't call it the "spy agency," it was called the Committee of Secret Correspondence because we Americans don't spy.

Unfortunately at a training center which I don't like to talk about because the name of the training center was Fort Looney, but they were not required to report to the Congress the names of the people with whom they were in contact, nor were they required to report to the Congress who their agents were--they were required to report how many they had, but they weren't required to report who they were or who they were in contact with.

Well, you've asked me what has all this done to us? Well, I would like to be able to tell you that it has had catastrophic results and that it should stop at once, except that isn't true. We had some concern from the friendly foreign services with whom we work that we would reveal them, because they don't share our ethic about making everything public. Then they found out that we did not and we were able to work out agreements with the investigating committees to shield these friendly foreign services who would have just pulled away from us and done nothing more with us.

When we tried to get names deleted, we were misunderstood. We had a tragic example not long ago of what this sort of thing can do. I don't think that this particularly led to that, it was just part of the function of the time and part of the general picture that has been painted of a group of assassins and butchers and poisoners and everything else.

But to get back to these things. What was the ultimate report of the assassination inquiry: that nobody was assassinated. What was the ultimate report on the toxins: they were never used. You all saw the picture of the dart gun being flourished. What was the report on that: the dart gun was never used. Why did we do these things? Well, as I mentioned before, there are always people with poor judgment; there are always people who are fanatics; there are always people who are nuts. People say, "How can you eliminate abuses in intelligence?" Several Congressmen have asked me this and my reply has been, "Congressman, as long as intelligence agencies, like Government and congresses, are made up of human beings, you cannot abolish abuses." You can minimize them and you can take steps to make the people responsible, that you will punish if anything goes wrong. But the idea that you can pass a law and everybody will be

virtuous ever after, just isn't so. We tried Prohibition and it didn't work. The idea that you can legislate virtue is just not taking account of what the facts of life are.

Why do we do some of these things? Well assassination obviously was triggered by people who were talking with someone who had a relative shot by somebody or killed by somebody. We go on to the drugs. Why were we experimenting with drugs? Well, we saw a man like Cardinal Mindzenty, who had resisted every pressure, every torture, every imprisonment that the Nazis could bring to bear on him. Suddenly he appears before the movie cameras, hollow-eyed, confessing everything his Communist masters want him to confess. Those of us who are old enough to remember, believed, and all of us believed at that time, that this was done with mind-bending drugs. They might be used against our armed forces and against our agents, against our diplomats, and we have to know about them and we have to find out about them. So we engaged in drug research. We engaged, the armed forces engaged, the National Institutes of Health engaged, many universities engaged in this research and saw nothing immoral in it. Now somebody obviously used extremely bad judgment in giving it to this man without his knowledge. And as I said, I can't

tell you we haven't had people who have exercised extremely bad judgment, who haven't made some great mistakes. But we have, we have had such people.

The toxins. The Soviets during the Fifties killed a number of Russian emigres in Western Europe by using these toxins. Again, the question came: will they be used against us? Can we defend ourselves? Will we have the deterrent as a means of retaliation? The United States between World War I and II undertook not to use poison gas. That did not prevent the United States from building several million poison gas shells to use in case the Germans and the Japanese used them against us.

In large part, a great many of these things that have been brought out about us have been contingency plans. Every country has a contingency plan for what it would do in case it was forced into a war it doesn't expect. You take it out and say, "Did you draw this up?" "Yes." "Did the Chairman of the Joint Chiefs approve it?" "Yes." "Did the Secretary of Defense approve it?" "Yes." "Ah ha! then you intended to do so and so?" And it's very hard to get things put back in balance.

We have all this stuff about assassination and so forth and so on, but the final conclusion that nobody was ever

assassinated is passed over almost in silence. Just as with almost all of these other things. These were contingencies against various extreme things happening or people using them against us and having the means to retaliate. I repeat, I am not telling you we didn't do anything wrong. We have, at one time or another. But I submit that if you take 76,000 people in any other organization and subject them to this kind of thing, we would not look all that bad.

Anyway, as I say, the real issue ahead of us is: where are we going in the future? Obviously these things cannot happen. There are the kind of restrictions now--as a matter of fact, in most of these cases, there were restrictions within the Agency, before these investigations started--pro-hibiting these particular activities.

I might add that no one discovered us doing these things. We reported them all to the Congress. We were not caught doing any of this; we, ourselves, reported to the Congress various questionable actions which we had picked up in our own investigations.

So, where are we going from here? Well, I am fairly optimistic because I think the American people are intelligent enough to realize that if they are not an enlightened, informed people, we may not have anywhere to go.

You hear all this discussion about helping our friends abroad. Call it political action, covert action, and so forth. Every country throughout history has tried to help its friends abroad, in various forms and in various ways. I think Americans should be particularly cautious about condemning such action because if the French hadn't had 17,000 political agents in the form of troops ashore in North America before France had declared war on Great Britain, we just might not be celebrating a bicentennial this year.

I am not going to go into details or get into comparisons, but the other side helps its people all over the world. Well, we can stand by and do nothing if we want to, and we will just have not learned from the lessons of the past. We live in a very small world; we live in a world of instantaneous communications. We do not live in a world in which James Madison said he hadn't heard from his ambassador in Spain and if he didn't hear within the next year he was going to send somebody over to find out what was happening. We live in a world of instant communications where there is an immediate desire to know what is happening and what is going to happen.

I think the best way we can ensure the future of our people is to have the American people understand what it is their intelligence services are trying to do. If they under-

stand it I am convinced they will support it. And after all we live only by the support of the American people. If the American people will not support us, we will cease to exist. I am confident we will have that support.

We face the future; we face the future tomorrow which we cannot quite plainly see. We hope that detente will provide a lessening of tensions with the Soviet Union but it reminds me of a story that one of my European friends told me. He said, "You know, two young Americans were in Moscow and they were being taken around by a young Russian who took them to the Kremlin, the Cathedral of Basil the Blessed, Novodevechye Monastery, and then he took them to the zoo. In the zoo they saw this great big cage and in this cage was a huge Russian bear with a worried-looking little lamb. But the lamb appeared to be in pretty good shape, and the young American said to the young Russian, "Why do you put those two in the same cage? That's an odd couple." And the young Russian said, "This is to prove that peaceful co-existence is possible." The young American said, "Well, I must admit, it's pretty impressive." And his buddy said, "It sure is convincing." The young Russian looked around and seeing no one, he said, "Of course you understand, every

morning you have to put in a new lamb." And as long
as you don't run out of lambs there is no problem.